

[27 February, 2001]

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has a strong Dispute Settlement Mechanism to resolve any disputes between members. By virtue of being a member of WTO, India is automatically entitled to get the most favoured nation (MFN) and national treatment from all other members for its exports. However, consequent to a ruling of the Dispute Settlement Body of the WTO, India is obliged to remove its quantitative restrictions (QRs) as were being maintained on Balance of Payment grounds. In accordance with this decision, the balance of QRs on 715 tariff lines are to be phased out by 1.4.2001. Government has set up an Inter-Ministerial Group to assess the impact of removal of Quantitative Restrictions and suggest corrective measures. India in its negotiating proposals submitted to WTO for the ongoing negotiations has demanded the creation of a "Food Security Box" to take care of its food security and livelihood concerns and has *inter-alia*, sought flexibility for taking domestic policy measures for poverty alleviation, rural development, rural employment and diversification of agriculture and has also demanded that developing countries should be allowed to maintain appropriate levels of tariff bindings keeping in mind their developmental needs and high distortions prevalent in the international markets so as to protect livelihood of its large population dependent on agriculture.

Lowering of Import Tariff on Foreign Liquor

574. SHRI GOPALSINH G. SOLANKI: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether it is a fact that the representative of domestic liquor companies met Commerce Secretary in November, 2000 and pleaded that import tariff on foreign liquor brands and concentrates may not be lowered from the present level of 210 per cent;

(b) whether it is also a fact that the foreign liquor companies are pressurizing Government to lower down the import tariff;

(c) if so, what are the details thereof and Government's reaction thereto; and

(d) what other steps are being taken by Government to safeguard the interest of domestic industry?

**THE MINISTER OF COMMERCE AND INDUSTRY
(SHRI MURASOLI MARAN):** (a) Yes, Sir.

(b) to (d) Representations have been received from Associations of foreign liquor companies pleading for reduction in import duty on alcoholic beverages. From time to time such representations are received from various quarters either for enhancing or reducing duties. Tariff on liquor, as in case of other commodities, is decided taking into account various factors, including the interests of the domestic producers. An appropriate decision on the matter will be announced in the budget for the year 2001-2002.

Declaration of Floor Price of Rubber

575. SHRI KHAGEN DAS: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether it is a fact that the floor price of rubber has not been declared so far; and

(b) if so, what steps have been taken by Government to save the poor rubber growers of Kerala and Tripura?

**THE MINISTER OF COMMERCE AND INDUSTRY
(SHRI MURASOLI MARAN):** (a) Yes, Sir.

(b) In order to stabilise the declining prices of Natural Rubber in the country, the Government of India have since August, 1997 made a market intervention through STC for procurement of Natural Rubber on Government account. STC has so far procured 52,429 MT of Natural Rubber. To enhance the consumption of indigenous rubber Government has also imposed a ban on import of Natural Rubber under the Advance Licence Scheme w.e.f. 20.2.1999. The procurement of Natural Rubber by STC is continuing for supply to ALHs against indents placed by them with STC.